



Consolidated Financial Results for the 1st Quarter Fiscal 2021

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Highlights

1Q Consolidated Financial Results

- ✓ Revenue: Decreased significantly in all divisions due to COVID-19
But YoY decline in revenue slowed from May to June
- ✓ Operating profit: Achieved profitability even in challenging environment by
controlling expenses
Mainstay Endoscopic Solutions Division (ESD) generated profit

Full-Year Performance Forecasts

- ✓ Consolidated performance forecasts remain undecided
Outlook remains uncertain due to continued spread of COVID-19 and it is difficult to
make a reasonable estimate on our financial forecasts

01

**Consolidated Financial Results and
Business Review for the 1Q of
Fiscal 2021 (FY Ending March 31, 2021)**

1Q of Fiscal 2021 (1) Consolidated Financial Results

1 Revenue: Decreased in all divisions due to COVID-19

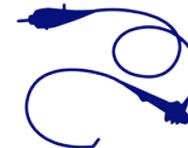
2 Operating profit: Maintained profitability driven by ESD despite challenging environment

(Billions of yen)	1Q (Apr. to Jun.)					Supplemental data
	FY2020		FY2021	YoY	After foreign exchange adjustment	After foreign exchange and COVID-19 adjustment
Revenue	181.9	1	142.4	-22%	-19%	-¥34.0 billion
Gross profit (% of revenue)	116.7 (64.2%)		87.3 (61.3%)	-25%	-22%	-
Selling, general and administrative expenses (% of revenue)	101.1 (55.6%)		84.6 (59.4%)	-16%	-14%	-
Other income and expenses	-0.9		-1.4	-	-	-
Operating profit (% of revenue)	14.7 (8.1%)	2	1.2 (0.8%)	-92%	-80%	-¥11.0 billion
Profit before tax (Profit before tax Rate)	13.6 (7.5%)		0.2 (0.1%)	-98%		
Profit(loss) attributable to owners of parent (Profit attributable to owners of parent Rate)	8.6 (4.7%)		-2.7 (-)		-¥11.4 billion	
EPS	¥6		-¥2			
Yen/U.S. dollar	¥110		¥108			
Yen/U.S. Euro	¥123		¥118			
JPY/CNY	¥16		¥15			

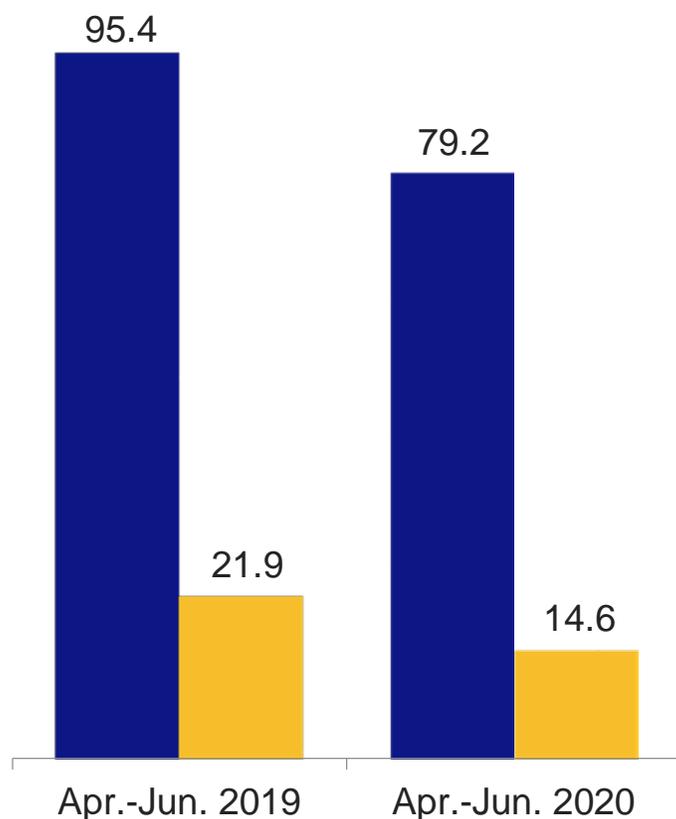
Dividend forecast for FY2021

Undecided

1Q of Fiscal 2021 (2) Endoscopic Solutions Division (ESD)



■ Revenue ■ Operating Profit
(Billions of yen)



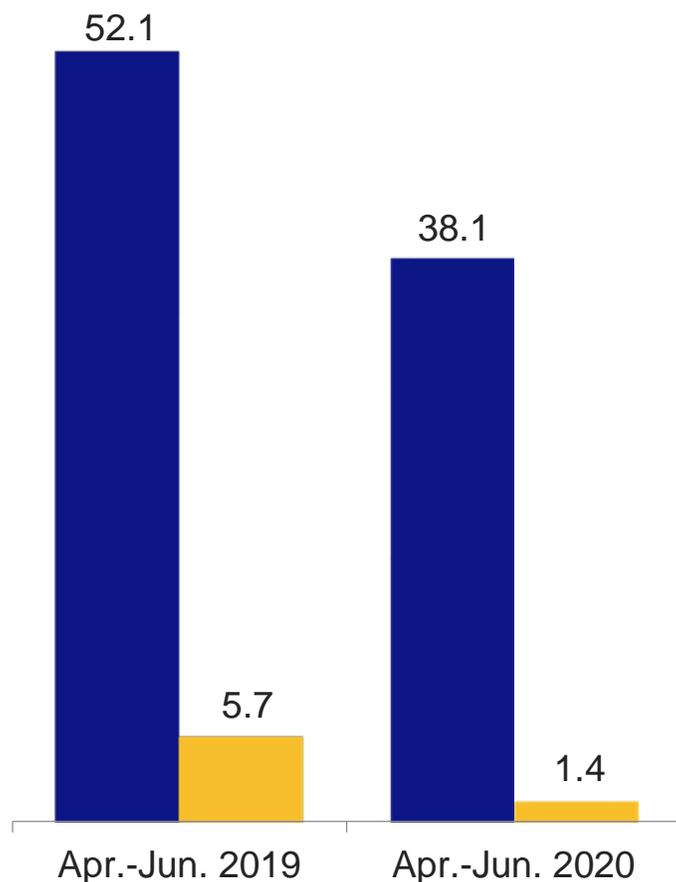
- Revenue** Revenue decreased due to COVID-19, but China showed growth of 3% (excl. FX)
- Operating profit** Achieved operating margin of approx. 20% (excl. FX) despite challenging environment

(Billions of yen)	1Q (Apr. to Jun.)		YoY	After foreign exchange adjustment
	FY2020	FY2021		
Revenue	95.4	79.2	-17%	-14%
Operating profit	21.9	14.6	-33%	-27%
Other income and expenses	0.2	-0.4	-	-
Operating margin	23.0%	18.5%		19.4 %

1Q of Fiscal 2021 (3) Therapeutic Solutions Division (TSD)



■ Revenue ■ Operating Profit
(Billions of yen)



- Revenue** Revenue decreased in all regions with the number of elective procedures down
- Operating profit (loss)** Despite lower revenue, cost reductions led to profitability

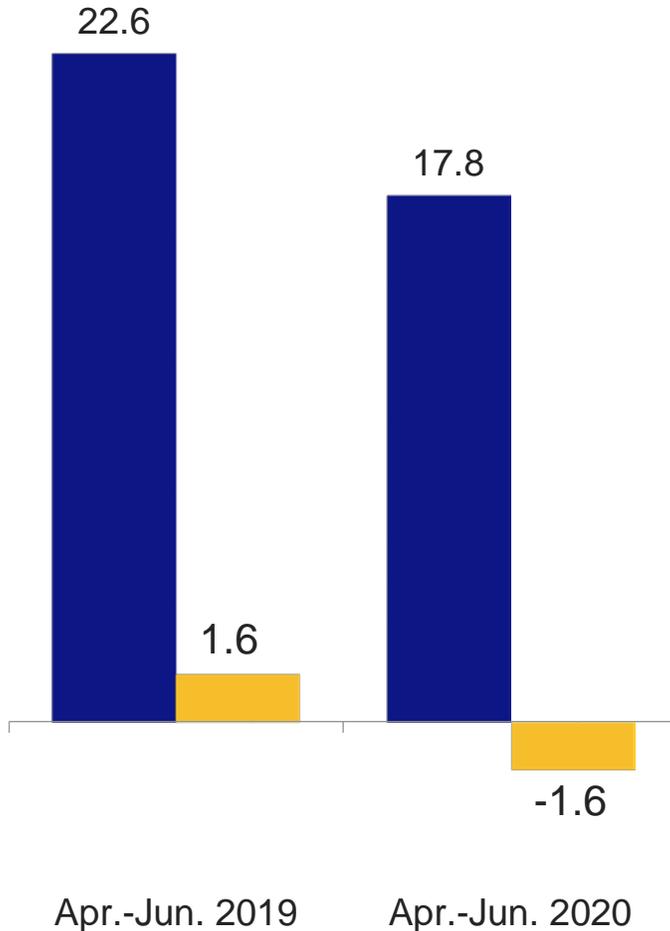
(Billions of yen)	1Q (Apr. to Jun.)		YoY	After foreign exchange adjustment
	FY2020	FY2021		
Revenue	52.1	38.1	-27%	-24%
Operating profit	5.7	1.4	-74%	-69%
Other income and expenses	0	-0.3	-	-
Operating margin	10.9%	3.8%		4.5%

1Q of Fiscal 2021 (4) Scientific Solutions Division (SSD)



■ Revenue ■ Operating profit (loss)

(Billions of yen)



Revenue

Revenue decreased due to COVID-19, but China showed growth



Operating profit (loss)

Operating loss was posted due mainly to lower revenue

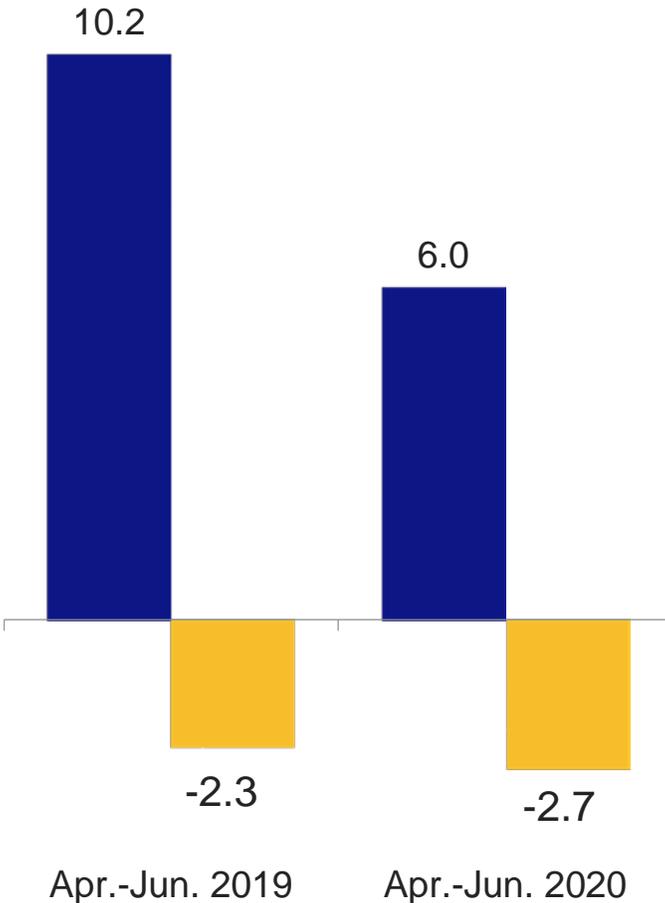
1Q (Apr. to Jun.)

(Billions of yen)	FY2020	FY2021	YoY	After foreign exchange adjustment
Revenue	22.6	17.8	-21%	-18%
Operating profit(loss)	1.6	-1.6	-¥3.2 billion	-¥3.0 billion
Other income and expenses	-0.2	-0.3	-	-
Operating margin	7.3%	-		



1Q of Fiscal 2021 (5) Imaging Division (IMD)

■ Revenue ■ Operating profit (loss)
(Billions of yen)



Revenue

Revenue decreased due to COVID-19



Operating profit (loss)

Operating loss expanded due mainly to lower revenue

1Q (Apr. to Jun.)

(Billions of yen)	FY2020	FY2021	YoY	After foreign exchange adjustment
Revenue	10.2	6.0	-41%	-39%
Mirrorless	7.7	4.8	-38%	-36%
Compact	1.2	0.6	-52%	-51%
Others	1.3	0.7	-46%	-44%
Operating profit (loss)	-2.3	-2.7	-¥0.4 billion	-¥0.5 billion
Other income and expenses	-0.5	-0.2	-	-
Operating margin	-	-	-	-

Statement of Financial Position

- ✓ Secured cash balance for stable business operations
- ✓ Bonds/loans increased due to increase in long-term borrowings and issuance of CP

(Billions of yen)	End of Mar. 2020	End of June 2020	Change		End of Mar. 2020	End of June 2020	Change
Current assets	506.7	604.4	+97.7	Current liabilities	333.8	344.4	+10.6
Inventories	167.6	183.3	+15.7	Bonds/loans payable	81.0	111.9	+30.9
Non-current assets	509.0	494.7	-14.3	Non current liabilities	309.9	392.7	+82.8
Property, plant and equipment	202.1	201.3	-0.8	Bonds/loans payable	199.9	284.0	+84.1
Intangible assets and others	208.5	196.0	-12.5	Equity	372.0	362.0	-10.0
Goodwill	98.3	97.4	-1.0	(Equity ratio)	36.5%	32.8%	-3.7pt
Total assets	1,015.7	1,099.1	+83.4	Total liabilities and equity	1,015.7	1,099.1	+83.4

Interest-bearing debt: ¥395.9 billion (up ¥115.0 billion from March 31, 2020)

Consolidated Cash Flows

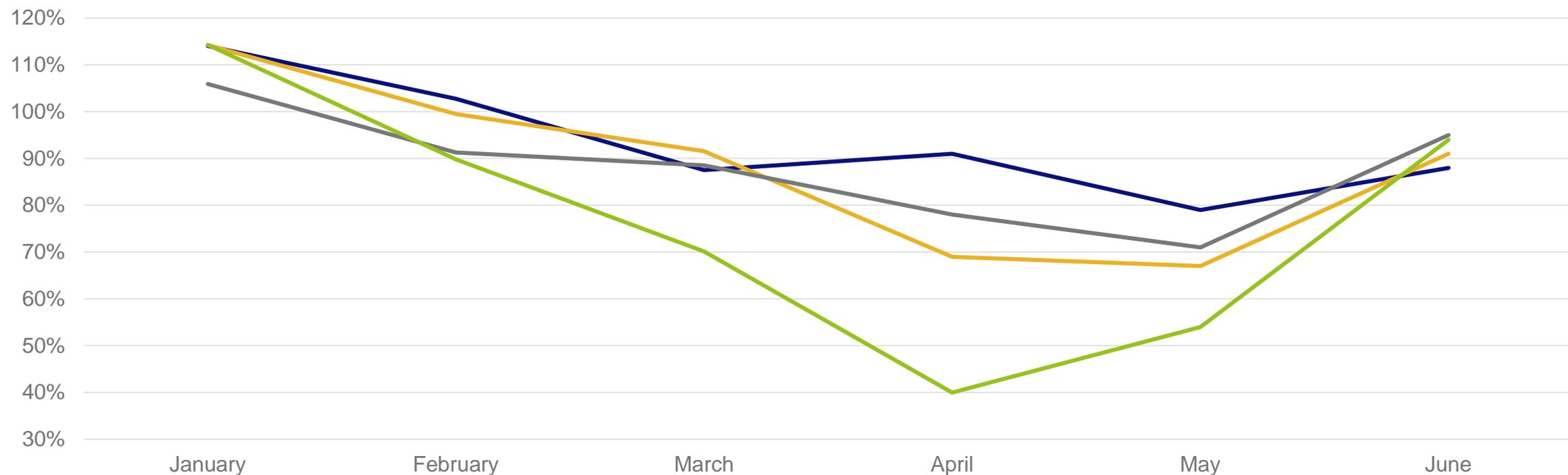
- ✓ FCF: Minus ¥3.9 billion due to lower operating profit
- ✓ Financial CF: Plus ¥111.8 billion due to increase in long-term borrowings

(Billion of yen)	1Q (Apr. - Jun.)		Change
	FY2020	FY2021	
Revenue	181.9	142.4	-39.5
Operating profit	14.7	1.2	-13.5
(% of revenue)	8.1%	0.8%	-7.3pt
CF from operating activities	28.4	8.4	-20.0
CF from investing activities	-15.5	-12.3	+3.2
Free cash flow	12.9	-3.9	-16.8
CF from financing activities	-11.3	111.8	+123.1
Cash and cash equivalents at end of period	113.7	270.7	+156.9

Updates: January to June

Revenue has been on a downward trend since February due to COVID-19, but the decline slowed from May to June. It is difficult to make a reasonable estimate on our financial forecasts

YoY Revenue Comparison*



* After foreign exchange adjustment

— ESD — TSD — SSD — IMD

Initiatives for New Normal

Accelerate new-normal initiatives in sales promotion activities to support HCPs and customers

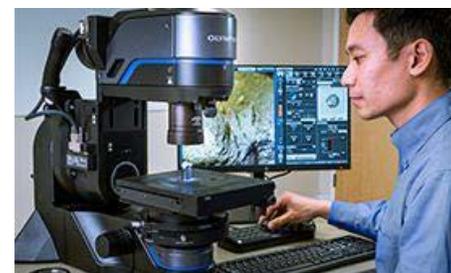
MedPresence*

- Real-time virtual collaboration solution for clinical uses with high IT security technology
- Enterprise medical virtual presence solution, that enables teams to quickly bring needed expertise into a procedure space from across the organization, around the world, and at any time safely and securely



Online training and demonstrations

- Online training, demonstrations, seminars, etc. to support HCPs and customers even in COVID-19 pandemic environment
- Pursue new approaches to customers centered on digitization



Online demonstration for microscope



Online seminar for medical device

*Introduced in the US and Europe

Committed to Corporate Reforms

FY2021

Great chance to accelerate transformation to a truly global medtech company for sustainable growth



Focus the corporate portfolio



Structural reform of fixed costs



Successful launch of next-gen GI endoscopy system EVIS X1



Continued steady investment in product development for future growth



Driving efficiency in our R&D operations



- ✓ Olympus and Japan Industrial Partners signed a memorandum of understanding to transfer Olympus's Imaging Business
- ✓ EVIS X1 has been launched in EMEA (Europe, Middle East & Africa), Australia, India and Hong Kong on April 23 and in Japan on July 3

Continue investments needed for sustainable growth



Securing liquidity of approx. ¥350-400 billion*

- Cash balance: approx. ¥270 billion**
- Issued ¥50 billion of corporate bonds (5yr and 10yr) in July
- In addition, commitment line of credit: approx. ¥100 billion



Strengthen business development activities

- Consider necessary M&A while strengthening financial flexibility

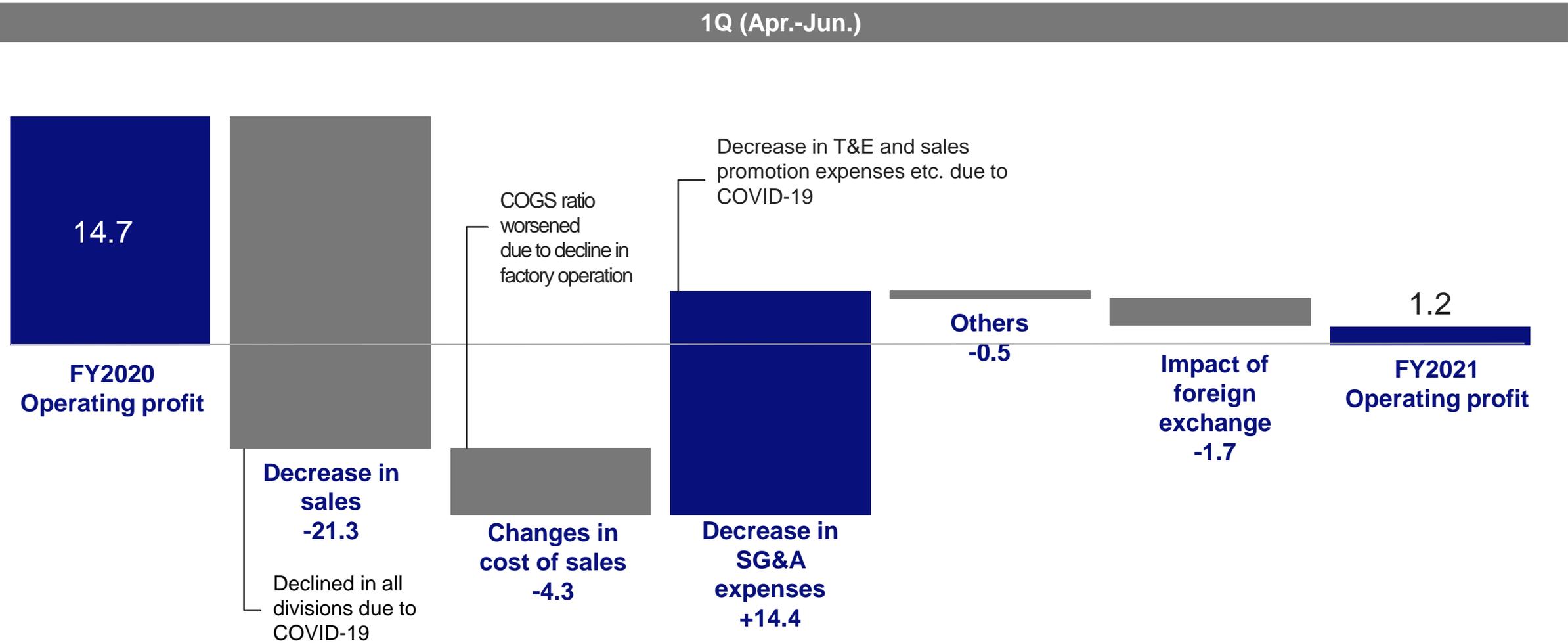
* As of the end of July 2020 **As of the end of June 2020

OLYMPUS

A thick, yellow, brushstroke-style underline that tapers at both ends, positioned directly beneath the word "OLYMPUS".

02 Appendix

Supplementary Materials: 1Q of Fiscal 2021 Factors that Affected Consolidated Operating Profit



Supplementary Materials: 1Q of Fiscal 2021 by Segment

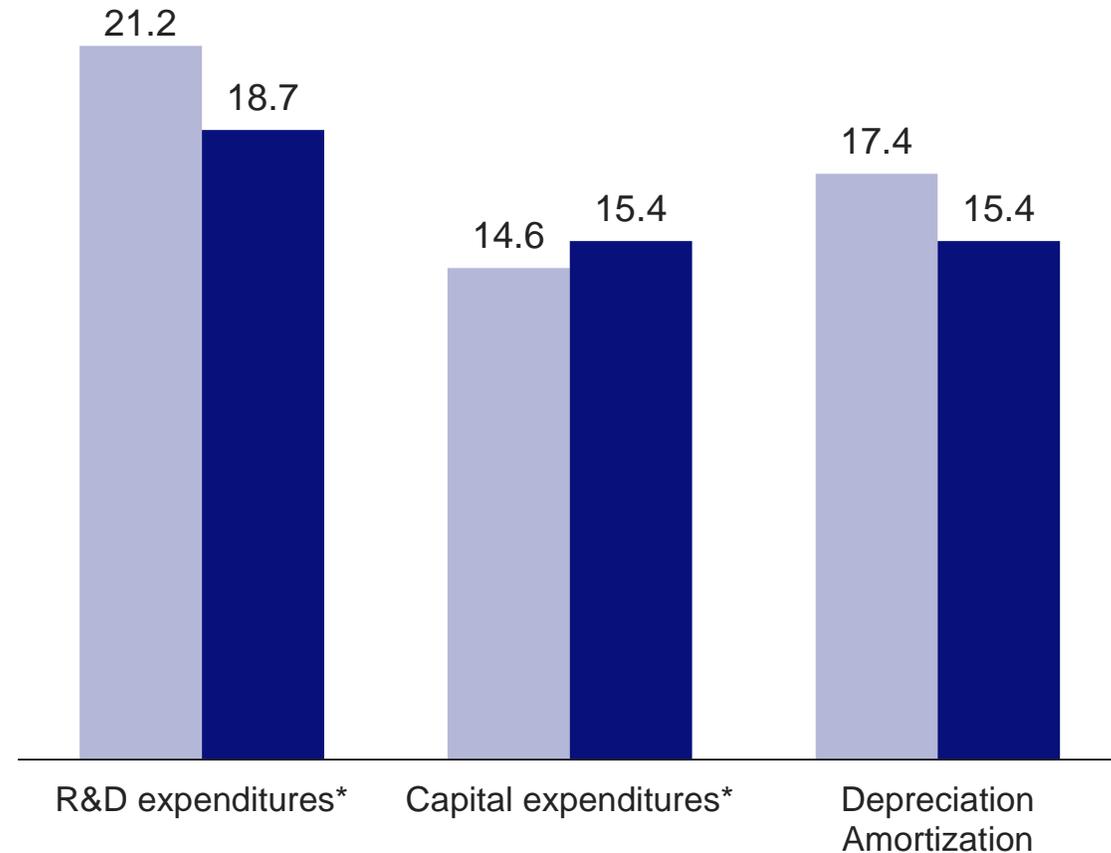
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		FY2020	FY2021	YoY	After foreign exchange adjustment	
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	Operating profit	5.7	1.4	-74%	-69%	-
SSD	Revenue	22.6	17.8	-21%	-18%	-
	Operating profit	1.6	-1.6	-¥3.2 billion	-¥3.0 billion	-
IMD	Revenue	10.2	6.0	-41%	-39%	-
	Operating profit	-2.3	-2.7	-¥0.4 billion	-¥0.5 billion	-
Others	Revenue	1.6	1.3	-18%	-18%	-
	Operating profit	-0.6	-0.4	+¥0.2 billion	+¥0.2 billion	-
Elimination and Corporate	Operating profit	-11.5	-10.1	+¥1.4 billion	+¥1.3 billion	-
Consolidated Total	Revenue	181.9	142.4	-22%	-19%	-¥34.0 billion
	Operating profit	14.7	1.2	-92%	-80%	-¥11.0 billion

Supplementary Materials: Expenditures etc.

1Q (Apr. to Jun.)

(Billions of yen)

■ FY2020 ■ FY2021



(Billions of yen)

FY2020

FY2021

R&D expenditures* (a)	21.2	18.7
Capitalization of R&D expenditures (b)	3.3	3.4
R&D expenses in P/L (a-b)	17.9	15.3

(Billions of yen)

FY2020

FY2021

Amortization	1.7	2.0
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End of Mar, 2020

End of Jun, 2020

R&D assets	47.7	49.2
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*Capitalization of R&D expenditures (b) are included in R&D expenditures and capital expenditures.